

Memorandum # 41/2003

Commonwealth of Massachusetts | Public Employee Retirement Administration Commission Five Middlesex Avenue, Third Floor, Somerville, MA 02145 Ph 617 666 4446 | Fax 617 628 4002 | TTY 617 591 8917 | www.mass.gov/perac Robert E. Tierney, *Chairman* | A. Joseph DeNucci, *Vice Chairman* C. Christopher Alberti | Kenneth J. Donnelly | Eric A. Kriss | James M. Machado | Donald R. Marquis Joseph E. Connarton, *Executive Director*

MEMORANDUM

TO: All Retirement Boards

FROM: Joseph E. Connarton, Executive Director

RE: Military Pay Act (Section 1 of Chapter 137 of the Acts of 2003)

DATE: December 17, 2003

Governor Romney has signed Chapter 137 of the Acts of 2003. Section 1 of this Act authorizes counties, cities and towns to pay any employee who has been granted a military leave of absence because the employee is a member of the army national guard, the air national guard or a reserve component of the armed forces of the United States called to active service in the armed forces of the United States after September 11, 2001 his base salary less any amount received for his or her military service. This Section requires local legislative approval. This provision expires on September 11, 2005.

In a county, city or town which adopts this provision, the difference between the member's base salary and his or her military salary would be regular compensation for retirement purposes. Retirement deductions must be taken from this portion of the salary. Creditable service issues and retirement deductions for the portion of the salary paid by the military is fully discussed in PERAC Memorandum #39/2001.

We trust the foregoing is of assistance. If you have further questions or concerns, please contact this office.